

Washington State Citizens Committee on Pipeline Safety
Meeting Minutes
Location: WUTC - Olympia, WA
December 7, 2004

Present

Katie Hansen, Vice Chair
Chuck Mosher
Shirley Olson
Leo Bowman
Duane Henderson
George Hills
Richard Kuprewicz
Pete Kmet
Ken Thomas
Nate Moxley

Absent

Grant Jensen
Carl Weimer

Public present at the meeting

Gary Lee, Department of Ecology
Jim Clark, Olympic Pipeline Company
Earl Tower, Olympic Pipeline Company
Dean French, Citizen
Jim Doherty, Municipal Research Services
Bob Archey, Roundtable Associates
Mariana Archey, Roundtable Associates
John Cassady, Gas Transmissions Northwest
Alan Rathbun, Washington Utilities and Transportation Commission
Tim Sweeney, Washington Utilities and Transportation Commission
Lindsay Marquez, Washington Utilities and Transportation Commission

Agenda:

1. Welcome & adoption of October 19, 2004 Meeting Minutes
2. Public Comment
3. Presentation from Farwest Corrosion
4. Review draft committee bylaws
5. Discuss 12/16/04 Meeting of the THLPSSC and TPSSC
6. WUTC Pipeline Safety Section Update
7. Brainstorm Ideas for Regulatory Incentive Program
8. Landuse Planning and Practices Around Transmission Pipelines

1. **Welcome** – Vice Chair Katie Hansen welcomed everyone to the meeting of the Citizens Committee on Pipeline Safety. Committee member Leo Bowman asked for the Chair and Vice Chair terms to be written into section three of the minutes. The committee discussed that Chair Carl Weimer's term would end July 31, 2005 and Vice Chair Katie Hansen's term as Chair would

begin August 1, 2005 and end July 31, 2006. The October 19, 2004 minutes were approved and adopted as amended.

2. **Public Comment** – Committee member Chuck Mosher stated that he attended a meeting of the National Association of State Fire Marshal's. He informed the committee that the Association is reviewing the use of hydrogen-powered cars, which is technology that is only 15-20 years away. The concern to firefighters is in the event of a vehicle accident, they do not want to sever a hydrogen line and cause an explosion. They are proposing that all car manufactures have a standard for setting up the hydrogen line in the cars.
3. **Presentation from Farwest Corrosion** – Kim Karmil, with Farwest Corrosion, introduced Andy Clark from EUPEC Risk Management Services (which stands for European Pipe Coatings). EEPEC provides services for determining the integrity of the coating and the cathodic protection systems of pipelines (natural gas and hazardous liquid). Steel pipeline in the ground always tends to return to its natural state, which is iron ore. To prevent this and impending corrosion, pipeline operators "electrify" the pipe, which forces it to be a cathode rather than an anode. EUPEC uses their technology to read and analyze actual waveforms between test points on the pipeline, rather than do an average of the wavelengths. This is a valuable tool in metropolitan areas where access to the pipeline is not easily accessible due to highways or rivers, for example. It is also useful to identify any outside interference that may disrupt the waveform, thus the cathodic protection of the pipe. OPS issued an advisory bulletin on this within the last two years. Once the problems have been found and depending on the actual problem, the situations can be remediated in several ways: the use of filters, inductor or electronic choke, and/or adequate separation of the utilities that may be interfering with the electrical signal. Remote monitoring systems are also available to operators to provide real time data on a constant basis. Remote monitoring systems are also available to operators to provide real time data on a constant basis.
4. **Discuss Draft Committee Bylaws** – The committee reviewed and discussed the draft bylaws that have not been updated since 2001. The committee made several revisions including adding the process for selecting the Chair and Vice Chair, a section of the appointment of liaisons to special boards or groups and other miscellaneous revisions. The draft bylaws will be re-drafted and distributed to the committee to review.
5. **Discuss Meeting of the THLPSSC** –U.S. Transportation Secretary Norman Mineta named Committee members Carl Weimer and Richard Kuprewicz as citizen representatives to the Technical Hazardous Liquid Pipeline Safety Standards Committee (THLPSSC). They will be attending a meeting of the THLPSSC in Washington D.C. on December 16, 2004. The members of the TPSSC will discuss and vote on the Office of Pipeline Safety (OPS) notice of proposed rulemakings: "Pipeline Safety: "Standards for Direct Assessment of Gas and Hazardous Liquid Pipelines" (69 FR 61771) and "Pipeline Safety: Public Education Programs for Hazardous Liquid and Gas Pipeline Operators" (69 FR 35279). Committee member Richard Kuprewicz spoke to the Citizens Committee about integrity management of distribution pipeline systems and pointed out that the Pipeline Safety Improvement Act of 2002 focused on integrity management of transmission lines and the focus is now turning towards integrity management on distribution systems. In Mr. Kuprewicz's opinion, everyone involved should try to understand the issue and take a step back to create regulations that makes sense. He cautions that OPS should not get too focused on regulation and try to understand the real intent. Mr. Kuprewicz would appreciate any comments the committee may have on any of the above subjects via e-mail by December 10th. Mr. Weimer and Mr. Kuprewicz will give the Citizens Committee members an update at the next meeting in January.

6. **WUTC Pipeline Safety Update** – Alan Rathbun, WUTC Pipeline Safety Director, gave an update on the current events in the pipeline safety section.

Williams Pipeline – Amended Corrective Action Order Update:

Williams has made application with FERC for their Capacity Replacement project. This project will replace 268 miles of 26-inch pipeline that is subject to an OPS Corrective Action Order with approximately 80 miles of 36-inch pipeline plus increased compression. Pending receipt of FERC certificate and construction permits, Williams hopes to begin with river/stream crossings in late 2005 with completion prior to December 2006.

BP Olympic Update:

Staff's investigation of the Renton leak and fire has been completed will be sent to OPS' Western Region Office.

BP has submitted their 2005 Corrective Action Order work plan to OPS. They are nearing completion of all items required under the CAO and it is likely they will request a return to 100% operating pressure during the second half of 2005.

Bellevue Explosion and House Fire

The WUTC continues its investigation of the September 2 incident. PSE continues to operate under a nine-step Action Plan ordered by the Commission. PSE has taken the initiative to replace steel mains and services serving approximately 600 homes in the area served by the miss-wired rectifier. The Commission did not direct this action and PSE reports that their initiative was taken to put local residents at ease and was not necessitated by safety concerns of the company.

Relative to the investigation, the failed service pipe has been inspected, packaged and sent for metallurgical analysis in Ohio. A pre-hearing conference before the Commission is scheduled for Thursday, December 9 to discuss progress in completion of the Order's conditions.

Yakima House Fire

Cascade Natural Gas notified the Commission that a house fire and fatality incident occurred at 1:18 a.m. Wednesday December 1st at 1101 N Naches Blvd, Yakima. Commission pipeline safety investigator Scott Rukke was dispatched to respond to the incident investigation at 10:00 a.m. It was initially believed that the incident was the result of a natural gas leak and ignition. On December 2nd, the investigation was deemed a homicide by police investigators. Autopsy reports indicate that the 76 year-old victim suffered fatal injuries as a result of an assault before the house was engulfed by fire. At this point no definitive determination into the cause of the fire has been made whether it was intentionally set with accelerates or if the natural gas line was tampered with. Yakima Police have arrested a 35 year-old man on suspicion of murder and arson. Staff has been working with Cascade Natural Gas personnel and the City of Yakima fire and police departments during the course of this investigation. Commission pipeline safety staff has been in contact with both the federal Office Pipeline Safety and National Transportation Safety Board to keep them abreast of the ongoing investigation.

2004 and 2005 WUTC Inspection Schedules

Copies of the inspection plans for 2004 and 2005 are available for review. The 2004 plan will be accomplished. At this point the 2005 plan is still a "draft". The interstate plan is subject to approval by OPS and the intrastate plan may still see some modification.

DOT/RSPA Reorganization Signed by President Bush

Last meeting we reported on a proposed reorganization of the DOT administrative unit that housed OPS. This legislation has been passed and signed by the President creating the Pipeline Safety and Hazardous Waste Administration under the DOT.

Carol Jolly's Retirement

Ms. Jolly, Executive Policy Coordinator for Governor Locke and a long time supporter of our Pipeline Safety program is retiring and returning to the East Coast to be with family. Carol also was a member of the Governor's Fuel Accident Prevention and Response Team following the Bellingham incident. The Committee decided to send a letter of thanks to Carol Jolly.

7. **Brainstorm Ideas for the Regulatory Incentive Program** – Tim Sweeney, with the Washington Utilities and Transportation Commission, spoke to the committee about the regulatory incentive program in statute RCW 80.24.060 (Natural Gas) and RCW 81.24.090 (Hazardous Liquid), Tim pointed out that, as written in the statutes, the incentives shall shift cost among the pipeline companies and shall not reduce the amount of the fees. He asked the committee to brainstorm ideas for the program. The following is a list of initial ideas from the committee:

Rewardable behaviors

Go beyond required level in performance or technology use.

Involvement in policy development or other public good above and beyond business operations.

Incentives

Performance branding (Gold star or rating system)

Longer period between inspections or lessening inspection rigor

Consideration in mitigating penalties if record was clean previous to penalty violations

Recognition event

Public humiliation

Safety performance reporting in FERC and WUTC rate case proceedings related to that operator
Annual report ("Dean's List")

The committee raised the question as to what the intent was of the regulatory incentive program. Tim Sweeney stated that the committee would discuss this issue and go more in depth about the ideas above at the next meeting.

8. **Landuse Planning and Practices Around Transmission Pipelines** – Jim Doherty, with Municipal Research Services Center (MRSC) and Bob Archey, of Roundtable Associates, updated the committee on the issues of landuse and planning practices of local governments around transmission pipelines. Several workshops were held around the state in conjunction with the Association of Washington Cities, the Association of Washington Counties and the WUTC. Then, the individuals who helped to organize and speak at the four August 2004 pipeline safety workshops in Washington met to discuss pipeline risks and chart a realistic course for changes that will enhance the safety of Washingtonians who live or work near transmission pipelines. The "action planning group" considered two ways that local government land use regulations could enhance the safety of those who live or work in the vicinity of transmission pipelines:

?? Establishment of building setbacks and zoning regulations that keep development activities some distance from pipelines, thus limiting the risk should there be a rupture and explosion;
and

?? Regulation of activities on or near pipeline easements so that the risk of third party damage to pipelines is lessened.

Leo Bowman (Benton County Commissioner) and Pete Kmet (Tumwater City Council) offered their support in being liaison's to this group as representatives of the committee and their county/city.

The group plans to meet in early 2005 to review the next steps will be to develop recommendations and action plan to deal with third party damage and other "threats" to safe operation of the pipeline and include:

- A. Defining the problem – hazards
- B. Defining the standards for activity on pipeline easements
 - ?? Pipeline operator practices in establishing and protecting easements - what would work from PO perspective
 - ?? Research the pipeline links in current law - federal and state
 - ?? Research current law for opportunities and examples
- C. Developing basic requirements for permitting and notification to include:
 - ?? Building, clearing and grading and excavation
 - ?? Engineering analysis approved by operators
 - ?? Means to resolve disputes
 - ?? How to add requirements for identification of easements (and rights of way) on plats and plans
- D. Inventorying current "best" practices
- E. Engaging the stakeholders in the solutions
 - ?? Identify the stakeholders and who speaks for them
 - ?? Define steps needed to get the standards into state regulations
 - ?? Develop a communications plan
 - ?? Recommend a means for resolution of disputes
- F. Incorporating standards into state regulations (WSDOT/APWA) and the State Building Code Council (CTED).
 - ?? Where and how - most effective
 - ?? Meant to be applicable generally to other states
- G. Providing education on standards, regulations and practices
- H. Developing model "practices" for local jurisdictions